



HOUSING AND REDEVELOPMENT AUTHORITY AGENDA

Tuesday, July 2, 2013

6:50 p.m.

Coon Rapids City Center

Council Chambers

Call to Order

Roll Call

Approval of Minutes of Previous Meeting

May 7, 2013, Regular Meeting

New Business

1. Approve Additional Funding for *Home for Generations II* Program

Other Business

Adjourn



HRA Regular

Meeting Date: 07/02/2013

SUBJECT: Minutes

Attachments

5-7-13 HRA Meeting

UNAPPROVED

HOUSING AND REDEVELOPMENT AUTHORITY MEETING OF MAY 7, 2013

A meeting of the Coon Rapids Housing and Redevelopment Authority was called to order by Chair Howe at 9:08 p.m. on May 7, 2013, in the Council Chambers.

Members Present: Chair Tim Howe, Commissioners Denise Klint, Paul Johnson, Ron Manning, Jerry Koch, Steve Wells

Members Absent: Commissioner Bruce Sanders

CALL TO ORDER

Chair Howe called the meeting to order at 9:08 p.m.

ROLL CALL

Commissioner Bruce Sanders absent.

APPROVAL OF MINUTES

MARCH 19, 2013, REGULAR MEETING

MOTION BY COMMISSIONER KLINT, SECONDED BY COMMISSIONER WELLS, FOR APPROVAL OF THE MINUTES OF THE MARCH 19, 2013, REGULAR MEETING. THE MOTION PASSED UNANIMOUSLY.

APRIL 16, 2013, CLOSED SESSION

MOTION BY COMMISSIONER JOHNSON, SECONDED BY COMMISSIONER WELLS, FOR APPROVAL OF THE MINUTES OF THE APRIL 16, 2013, CLOSED SESSION. THE MOTION PASSED UNANIMOUSLY.

1. BRIDGESTONE RETAIL OPERATIONS (“FIRESTONE”) RELOCATION AND LEASEHOLD CLAIM, 2920 COON RAPIDS BOULEVARD
 - A. APPROVE SETTLEMENT AGREEMENT AND RELOCATION ASSISTANCE WAIVER AND RELEASE
 - B. AUTHORIZE CHAIR AND SECRETARY TO EXECUTE AGREEMENT
-

Community Development Director Marc Nevinski shared the staff report.

MOTION BY COMMISSIONER KOCH, SECONDED BY COMMISSIONER JOHNSON, TO APPROVE THE SETTLEMENT AGREEMENT AND RELOCATION ASSISTANCE WAIVER AND RELEASE FOR BRIDGESTONE RETAIL OPERATIONS, 2920 COON RAPIDS BOULEVARD AND AUTHORIZE CHAIR AND SECRETARY TO EXECUTE AGREEMENT.

THE MOTION PASSED UNANIMOUSLY.

OTHER BUSINESS

There was no other business to come before the HRA.

ADJOURN

MOTION BY COMMISSIONER KOCH, SECONDED BY COMMISSIONER WELLS, TO ADJOURN THE MAY 7, 2013, MEETING AT 9:11 P.M. THE MOTION PASSED UNANIMOUSLY.

Respectfully submitted,

Cathy Sorensen
City Clerk



HRA Regular

1.

Meeting Date: 07/02/2013

Subject: Home for Generations II Funding Request

From: Kristin DeGrande, Neighborhood
Coordinator

INTRODUCTION

The *Home for Generations II* program was approved by the HRA at their February 19, 2013 meeting with a modest budget of \$20,000. An additional \$5,000 from the Mortgage Assistance Foundation was designated for the architectural design consultations at their March 8, 2013 meeting. The HRA is now asked to consider allocating more funds into this program.

DISCUSSION

Home for Generations II is structured to provide resources and financial incentives to homeowners to complete large remodels at their own home. It is intended that this program will spur private investment to update the City's aging housing stock at a time when the housing economy is starting to rebuild and stabilize.

The *Home for Generations II* program has received considerable interest from Coon Rapids homeowners. City staff has collected a list of nearly 100 homeowners interested in completing a project larger than \$35,000 through this program. An article about *Home for Generations II* appeared in the Star Tribune on April 2, 2013, several articles have been written in the local Coon Rapids Herald, articles have been included in the two most recent City newsletters, and a mailing was sent to all homeowners in the City promoting an event kicking off the program on May 30th where over 100 homeowners were in attendance. Since that date, 28 homeowners have submitted a program application to be considered for these grants and rebates. The maximum grant per household is \$5,000 and the building permit rebates are 50% of the total value of building permit fees paid for the entire project.

To date, three large remodeling projects (\$80,000+) have been approved for funding through this program totaling \$15,128.50 worth of incentive grants and building permit rebates. There remains a considerable demand and more funding is requested at this time.

RECOMMENDATION

Approve an additional \$80,000 to be used for architectural design consultations, incentive grants and building permit rebates through the *Home for Generations II* program.

Attachments

HFG2 Program Guidelines



Home for Generations II

Program Concept

February 26, 2013

June 28, 2013

Goals of Program

- Encourage private, major improvements to single-family homes to make them more functional for contemporary households.
- Promote reinvestment in other homes in the surrounding neighborhood and revitalize the City's existing, aging housing stock.
- Encourage high-quality, highly aesthetic construction that increases the value of homes and neighborhoods.
- Retain City residents and attract new residents, particularly young families, to the City.

Eligible Properties and Applicants

- Must be a current home owner in Coon Rapids (even if just recently bought).
- Must reside at the home to be remodeled as their primary residence.
- Must maintain homestead status at the proposed remodeled home.
- Eligible home must be at least 20 years old.
- The property will no longer be enrolled in the program if: the property is sold, is no longer the participant's primary residence, becomes non-homesteaded or rented out.

Eligible Improvements

In order to qualify, total project cost must exceed \$35,000 and the scope must include at least one of the following project types:

- **Addition of Living Space.**
 - Building an addition to the house
 - Building a sun room as defined by building code
 - Finishing previously unfinished space in the basement or attic
 - Building a covered front porch and/or enclosed entry (decks are not eligible)
 - Conversion of garage space into living space, and in this scenario, replacement of a new garage is eligible
- **Major Remodeling.** Major kitchen, bathrooms or basement remodels, addition of a new bathroom, or reconfiguration (moving around of walls) of existing rooms.

Other types of improvements such as but not limited to: siding, windows, mechanical updates, and roofs will qualify, but only in conjunction with one or more of the eligible improvements listed above.

Components of Program

1. *Architectural/Landscaping Assistance*

- Encourage participants to schedule a free Remodeling Advisor Visit with CEE to gain some insight for remodeling ideas and/or prioritization. This visit should occur prior to the architectural / design consultation and will give homeowners a concept of project cost and allow them to maximize their time with the architect / designer.
- Require HFG2 participants to participate in architectural / design consultation – to assist in developing a scope of work and encouraging good design. It is anticipated that this would be a 2 hour consultation and is not meant for drawing of blueprints.
- City will cover majority of the cost of architectural / design consultation to homeowners for planning major improvements. It is anticipated that participants would contribute a \$25 co-pay and the city will cover the balance (approximately \$250).
- For participants including landscaping in their scope, city will partially cover cost of consultation with a landscape architect / designer to provide front yard landscape design. Would anticipate a similar co-pay arrangement for this service as well to encourage good design and increased curb appeal.
- \$5,000 (proposed) annual budget maximum.

2. *Building Permit Process*

- Minimum project value of \$35,000 must be verified by the Building Official.
- Streamlined plan review given to program applicants.
- A dedicated inspector will be assigned to each project – this building inspector will be the applicant's point of contact for any construction or building code related questions.
- 50% of building permit fees will be rebated at the completion of the project. It is anticipated that most program participants will in turn use this for project upgrades, appliances, or carpeting.
- \$5,000 (proposed) annual budget maximum.

3. *Incentive Grant*

- Incentive Grant – up to 10% of the project cost not to exceed \$5,000 if the project includes two or more eligible exterior upgrades, or 5% of the project cost not to exceed \$2,500 if the project does not meet those criteria. This incentive stresses investment in the City's housing stock and the likely domino effect exterior improvements have on the City's neighborhoods.
- Eligible exterior upgrades includes:
 - altering the roofline on the front elevation,
 - building columns on the front of the home or making existing columns more substantial and architectural,
 - constructing a covered front porch,
 - adding shakes, brick or stone on the front of the house,
 - replacing and upgrading the front door (include color) and/or garage door (if it faces the street),
 - landscaping (landscape design assistance required),
 - other curb appeal elements as approved.
- Property owner must enter into an agreement with the City regarding program participation, eligibility and expectations.
- \$20,000 (proposed) annual budget maximum.

4. *Other*

- Applications will be accepted on a first come, first served basis until funds are depleted.
- Organize a program kick-off event, inviting homeowners to come in and talk with architects, designers, building inspectors, other city staff, and contractors.
- Encourage that all participants either allow CTN to video document their completed project, or that they participate in a future Coon Rapids Home Remodeling Tour to showcase the improvements made and motivate other homeowners to make similar investments in their properties. This would in sense replicate the Open Houses hosted throughout Phase I of the Home for Generations program where 8,000 residents toured the remodeled homes.
- The city will create an online photo book of other house remodels in Coon Rapids (including past HFG homes) to further incent homeowners.
- The city will showcase and award the best remodel of each year.
- Link participants to other financial or remodeling resources such as:
 - Mortgage Assistance Program loan programs – and maybe some new attractive rates for program participants
 - Planbook remodeling ideas
 - Other home improvement financing offered by the Housing Resource Center and the Center for Energy and Environment
 - Any available tax incentives or tax and/or utility rebates
 - Use of local liquidators and building material outlet centers, etc.

Funding Sources for H4G2:

February/March 2013

- \$20,000 from HRA to fund incentive grants and building permit rebates
- \$5,000 from Mortgage Assistance Foundation for architectural consultations

July 2013

- \$80,000 from HRA to fund incentive grants and building permit rebates (and architectural consultations if needed)
- More funding will also be requested from the Mortgage Assistance Foundation for more architectural consultations